



4004 Via Lucero ~ Estancia Lucero

4004 VIA LUCERO, LLC and the City of Santa Barbara are pleased to announce the availability of two affordable condominiums for purchase by residents who qualify under the City's Affordable Housing Program Policies. The City of Santa Barbara will administer a lottery to determine a priority list of potential buyers for the two units.

These units are restricted to "middle-income" purchasers. Area Median Income is established by HUD. Income limits are as follow:

One-person household: \$73,020

Two-person household: \$83,460

Three-person household: \$93,890

Four-person household: \$104,320

Five-person household: \$112,670



If the combined annual gross income of all adults in the household is more than the limits shown above, the applicant does not qualify to enter the lottery. Household is defined as "all those persons – related or unrelated – who occupy a single housing unit".

ABOUT THE AFFORDABLE CONDOMINIUMS

4004 VIA LUCERO, LLC is finalizing the construction of two price and income restricted condominiums for purchase by middle-income buyers as part of the 13-unit ESTANCIA LUCERO project. The units should be available for occupancy in March 2009.

- Both of the two -bedroom townhouse-style affordable units are priced at \$271,800.

Unit #10 is approximately 1711 square feet. Unit #11 is approximately 1933 square feet. Both have 2 bedrooms, 2.5 baths, kitchen, living room, dining area, laundry area, patio with fenced rear yard, and a 2-car attached garage.

The two affordable units are subject to requirements outlined in the Affordability Control Covenant; "Grant of Preemptive Right: Resale Restriction Covenant and Option to Purchase". This forty-five (45) year Affordability Control Covenant restricts the sales prices of the homes, the maximum income levels of the families purchasing the units, and clarifies participant-owner's responsibilities. The Grant of Preemptive Right gives the City the first right of refusal to purchase the unit when it is offered for sale. An example of the document may be viewed at www.santabarbaraca.gov **Please read it carefully.**

These homes, along with all homes in the project, are subject to the rules and regulations of the homeowner's association as declared in the CC&R's (Covenants, Conditions, and Restrictions), Bylaws, Articles of Incorporation, Budget, and other related association documents. A copy of the CC&R's may be viewed at www.ViaLucero.com. The current monthly dues for the homeowner's association are currently \$214 - \$225 per month and are subject to change.

CAN YOU AFFORD TO BUY ONE OF THESE UNITS?

[illegible]

STEPS TO APPLY FOR THE LOTTERY:

Applications are available at VILLAGE PROPERTIES offices (4050 Calle Real Ste. 120) Monday thru Friday from 9:00 a.m. to 5:00 p.m. In addition, they may be downloaded at www.santabarbaraca.gov

Completed applications (*with loan pre-qualification letter attached*) must be **HAND DELIVERED** to VILLAGE PROPERTIES (4050 Calle Real Ste 120).

- Applicant **must** obtain a receipt from Village Properties staff to document delivery of the application
- **DO NOT MAIL OR EMAIL APPLICATIONS – THEY WILL NOT BE ACCEPTED!!!!**

The deadline to submit a lottery application is
FRIDAY, FEBRUARY 27 at 5:00 p.m.

Incomplete, mailed, emailed or late applications will not be accepted
Only one application per household will be accepted

A “household” is all persons – related or unrelated – who occupy a single housing unit full-time.

THE PROCESS

1. Determine Eligibility

In order to be eligible to purchase an affordable home, the City must certify that the applicant meets certain criteria including, but not limited to, the following:

- Only applicants who currently live and/or work in the South coast area of Santa Barbara County (from Gaviota to the Ventura County line) may enter the lottery.
- The applicant's combined household income must not exceed the allowable household income (see above). The City will include income from all adult household members in calculating total household income. Household is defined as "all those persons – related or unrelated – who occupy a single housing unit".
- Applicant's monthly income shall be sufficient so that at least 28% but not more than 40% of that income will be used to pay for monthly housing expenses, including loan payments, MIP, homeowner's association fees/insurance, and property taxes. Buyers are required to provide a down payment of at least five percent (5%) of the purchase price and have "good" credit (typically a FICO score of at least 620). The mortgage loan payment shall be based on the fully indexed interest rate rather than an introductory or "teaser" rate.
- Income from taxable assets (actual or computed) is included in the computation of annual income.

- A monetary gift (if applicable) must NOT exceed 20% of the purchase price and must be accompanied by a "gift letter" indicating that the gift is not expected to be repaid
- Applicants must have the right to permanently reside in the United States.
- Applicants must agree to reside full-time in the home they purchase and cannot own any other residential real estate at time of application or at any time during their ownership.
- An applicant's total equity in residential real estate held at any time during the two years prior to purchase of an affordable unit shall not exceed fifty percent (50%) of the purchase price of the affordable unit.

Applicants must demonstrate that they have sufficient funds available to pay the required down payment and other costs associated with purchasing the home.

2. Financial Pre-Qualification

Applicants are required to obtain a letter from Wells Fargo (Karen Chiu 866-245-1097 Karen.Chiu@wellsfargo.com) confirming their ability to qualify for a bank loan to apply for the lottery. The City requires a minimum down payment of five-percent (5%); realistically, applicants should anticipate a down payment of twenty (20%).

3. Complete the Lottery Application, HAND DELIVER it with loan pre-qualification to VILLAGE PROPERTIES (4050 Calle Real Ste. 120). Applicant must obtain a numbered/signed receipt as proof of delivery.

4. Make sure application is accepted and eligible for the lottery

Completed Lottery Applications HAND DELIVERED on or before the deadline will be submitted to Santa Barbara Housing and Redevelopment Department. City housing staff will screen the applications to determine basic eligibility for the lottery. **It is recommended that applications be turned in early!** As soon as possible after the application deadline, the names of lottery participants will be posted at the City offices at 630 Garden Street (2nd Floor) for ten days. This is an opportunity for applicants to confirm their inclusion in the lottery. The City reserves the right to delay posting the list, if necessary, due to volume of applicants.

5. Lottery

As soon as possible after the ten business day posting period, the City of Santa Barbara will administer a lottery to determine a priority list of potential buyers for the affordable units. As applicant names are drawn, they will be numbered sequentially. Should the first chosen applicant not fully qualify (See Below), the applicant next drawn becomes eligible to go through the full qualification process. This process continues until there are qualified purchasers for each of the affordable units.

6. Full Qualification by City

Once the lottery has been completed, and **prior to** a Purchase and Sale Agreement being executed, applicants, in order of priority, will be required to submit within two weeks additional detailed income documentation to the City for analysis. Time frame to submit documents may be extended for good cause. All information provided to the City is subject to third-party verification. Income certifications are valid for a 90-day time period. If an applicant has not purchased a home within this time period, updated financial records will be required.

After full approval by the City, applicants (in order of priority) are required to meet with **Village Properties**, select their unit and complete the Purchase Agreement and Joint Escrow Instructions along with all related documents and disclosures. Buyers must close escrow within thirty to forty-five (30-45) days of execution of the Purchase Contract and Joint Escrow Instructions, subject to unit completion. If the Buyer fails to close escrow within thirty to forty-five (30-45) days, and Owner is in a position to close, the Owner reserves the right to offer the home to the next City-qualified applicant.

HOUSEHOLD SIZE

Generally, the maximum occupancy limit is equal to twice the number of bedrooms in the home plus one person. A "household" is all persons – related or unrelated – who occupy a single housing unit full-time.

ADDITIONAL INFORMATION

1. Representatives of 4004 VIA LUCERO, LLC ("Developer") and the City of Santa Barbara ("City") shall not restrict applicants on the basis of race or color, national origin, source of income, sexual orientation, HIV status, religion, gender, familial status or handicap.
2. Developer/Village Properties will provide a dated receipt to each applicant who HAND DELIVERS a completed application. City will require additional information from chosen applicants after conducting the lottery.
3. The City reserves the right to delay the lottery, if necessary, due to volume of applicants.
4. All names in the lottery will be drawn and assigned a lottery number.
5. City will refer approved applicants to Developer/Village Properties to choose a home, execute purchase contract/documentation, open escrow and secure final loan approval. City will participate in the escrow process, approve and supply required documentation. Prior to the close of escrow, City will compare the Buyer's Application and submitted financial documentation with final loan documents for consistency. Escrow instructions shall require City's final approval of escrow, loan and settlement documents
6. The City Community Development Director or the Director's designee may approve lottery participation to applicants who currently own a City affordable unit. Owner must demonstrate need (i.e. change in family size) or other good cause.

EQUAL HOUSING OPPORTUNITY

4004 VIA LUCERO, LLC and the Santa Barbara City will make reasonable accommodations in rules, policies, practices or services at the request of persons with disabilities when these accommodations are reasonable and necessary to give disabled persons equal opportunity to apply for an affordable home. If applicant requires such accommodations due to a disability, please submit a request in writing at the time application is submitted describing the accommodation request and the reasons for it. Please also include a signed physician statement verifying the need for the accommodation requested.

4004 VIA LUCERO, LLC and the City of Santa Barbara are committed to providing equal housing opportunity for all people regardless of race, color, gender, religion, national origin, familial status, or disability. If applicant believe applicant have been a victim of discrimination, contact the U.S. Dept. of Housing and Urban Development's Fair Housing Hotline (800-669-9777).



For more information: ESTANCIA LUCERO Web Site www.ViaLucero.com
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4050 Calle Real Ste. 120
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City of Santa Barbara Housing Programs Staff at (805) 564-5461 (email drandolph@santabarbaraca.gov)